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IN THE MATTER OF THE

DRAINAGE BASIN, IN

ACCORDANCE WITH THE

STATE OF WASHINGTON, DEPARTMENT OF ECOLOGY,

JAMES J. ACQUAVELLA, et al.,

DETERMINATION OF THE RIGHTS

WATERS OF THE YAKIMA RIVER

PROVISIONS OF CHAPTER 90.03,

REVISED CODE OF WASHINGTON.

Plaintiff,

Defendant.

TO THE USE OF THE SURFACE

STATE OF WASHINGTON YAKIMA COUNTY SUPERIOR COURT

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DEPARTMENT OF ECOLOGY'S **MEMORANDUM ON ISSUES** REGARDING FINAL DECREE

NO. 77-2-01484-5

Pursuant to this Court's direction in open court on July 13, 2006, the Department of Ecology, by and through its attorney, Barbara A. Markham, Assistant Attorney General, files this memorandum proposing issues to be addressed prior to entry of a final decree in this adjudication.

I. PUTTING TOGETHER THE FINAL DECREE

The Conditional Final Orders entered in this adjudication have generally incorporated, by reference, previous reports or orders entered as to a particular subbasin, major claimant, or other pathway. Someone wishing to know about the right conditionally confirmed for a particular

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DEPARTMENT OF ECOLOGY'S MEMORANDUM ON ISSUES REGARDING FINAL DECREE

ATTORNEY GENERAL OF WASHINGTON **Ecology Division** PO Box 40117 Olympia, WA 98504-0117 FAX (360) 586-6760

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claimant would have to review all documents listed in the CFO in order to determine the specific elements of a water right as determined by the Court.

Ecology considered the suggestions of other counsel and agrees that having each water right listed in the final decree would provide a more convenient reference to the specific elements of each right. The format would be familiar and generally consistent with the schedule of rights in a Report of Referee.

Each right included will have a certificate number, and, if applicable, a subbasin number for ease of reference. Ecology proposes each right include the date of the CFO in which the right was determined. County parcel information, required for recording with the county auditors, will be included on the certificates. Ecology is investigating ways to incorporate this information into its data base. In addition, Ecology suggests conditions or limitations applicable to rights, such as metering, be included in the Final Decree and be referenced in the schedule of rights. These conditions or limitations might be generally applicable or might be specific to a particular right.

The Final Decree should incorporate generally-applicable language that this is a quiet title action to all surface water rights in the Yakima River Basin, and that no valid surface water rights exist in the Yakima River Basin except as set forth in the Final Decree.

Ecology proposes the Final Decree should also explain how priorities will be regulated as among different streams and tributaries within the watershed. No junior user should be shut off because both the junior user and a senior user are taking water from two different streams above the confluence of the two streams. A provision of this sort was included in the Beaver Creek Decree, *State of Washington v. Thurlow*, Superior Court for Okanogan County, Washington, No. 3935 (September 20, 1921). In section 5, the Decree included this provision on how rights would be satisfied:

That the classification hereinabove set forth is subject to the following qualification: As between claimants diverting water from Beaver Creek above the confluence with Frazer Creek and claimants diverting from Frazer Creek, claimants diverting from Frazer Creek are entitled to divert water from said Creek although prior rights of diverters from Beaver Creek above its confluence with Frazer Creek

do not receive all the water to which they are entitled. Claimants diverting from Frazer Creek, however, are not entitled to divert waters from Frazer Creek until prior rights diverting from Beaver Creek below its confluence with Frazer Creek have received water to which they are entitled.

This sort of provision is not part of the futile call doctrine, which the Court of Appeals recently held does not apply in the State of Washington. Fort v. Ecology, 133 Wash. App. 90, 98-99, 135 P.3d 515 (2006). In other states, the futile call doctrine applies generally in the example given by the Court of Appeals, when a senior and junior user are both on the same stream, but the stream will be dry at the senior user's point of diversion regardless of whether the junior user takes water. Ecology requests that the Court provide for regulation of the streams when the junior and senior users are on different streams.

II. ESTIMATED TIME TO PREPARE INFORMATION FOR FINAL DECREE

Ecology has already completed the process of integrating information from rulings as to rights for all Subbasin CFOs entered to date except for Subbasins 9 and 27. Although this work has not yet been initiated for the other pathways, Ecology expects to initiate a similar process for integrating information for water rights confirmed in the Federal Reserved-Non Indian, Federal Reserved-Indian, and Major Claimant pathways.

Ecology estimates it generally takes six months to integrate the information for each subbasin once the CFO is entered. With existing staffing levels, Ecology estimates it could complete preparation of final decree information for the remaining subbasins and other pathways in about two years from now if the remaining subbasin CFOs are issued in a series with a sufficient period of time between them.¹

III. SERVICE OF FINAL DECREE

Ecology proposes that it mail a Notice of Availability and include it in the monthly notice, informing persons that a copy of the Final Decree is available on Ecology's website or by mail by

¹ Ecology is consulting with the Yakima Adjudication Office about the work that must be done on the other pathways.

request to Ecology. This procedure would be similar to that set forth in the Order Amending

Pretrial Order Nos. 5 and 8, (May 14, 1992).

IV. PREPARATION OF CERTIFICATES AND ESTIMATED TIME

Ecology expects that preparation of the certificates will require approximately 12 months, depending on the number of requests for division of water rights.

V. FEES FOR CERTIFICATES

Ecology is required, pursuant to RCW 90.03.470(10), to charge a fee for preparing and issuing each certificate, and is required, pursuant to RCW 90.03.330(1), to file (at the expense of the party receiving the certificate) a copy of the certificate with the county auditor(s). Ecology may not issue certificates unless the required fees are paid in full. RCW 90.03.470(13).

Ecology requests the Court order, as part of the final decree that, for each water right certificate issued, payment of all required fees be submitted to Ecology within 180 days of receiving request for payment from Ecology.

VI. ASSURING THAT OWNERSHIP INFORMATION IS CURRENT

The Court has ordered that all claimants inform the Court and other parties in writing of address changes, changes in ownership, and other changes. Pretrial Order No. 3. A reminder that this is an obligation of the claimants is published periodically in the Monthly Notice. Ecology lacks the resources to independently research current ownership information for each water right.

VII. DEFAULTING PARTIES

In past adjudications, Ecology has filed a motion to default parties who have not appeared. While Ecology expects to file such a motion in this adjudication after the last CFO is entered, the process for filing such a motion became more complex following an amendment to CR 55 several years after this adjudication began. The rule now requires that if the motion to default is made more than one year after initial service of process, the defaulting parties or their attorneys must be provided with notice of the motion for default by personal service, mail service, or publication and mailing to the last known address. CR 55(f).

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Ecology estimates that nearly 6,000 persons (some associated with the same address such as husband and wife) may be in default. The address information on these persons is generally 3 decades old. In addition, many mailing addresses at the beginning of this case were in terms of rural route numbers, and those have since been replaced with street/road names and house numbers. Ecology contacted the Postmaster General's Office (USPS) for the State of Washington and learned they are unable to deliver mail to old rural routes and have no means to link current addresses to old addresses. Ecology has tested locating addresses for a sample of about 186 persons in default by searching parcel records acquired from Yakima, Benton, and Kittitas Counties, and has succeeded in obtaining 50 addresses (27 percent). An internet address search test proved even less successful.

These efforts suggest that attempting service by mail or personal service would be both unsuccessful and costly as to most of the parties in default. At the time Ecology is ready to move for default judgment on these parties, it will update the Court on the methods it is using to locate them. Ecology may propose at that time to provide notice of default to persons it cannot locate through newspaper publication, as provided for in CR55(f), in Benton, Kittitas, Klickitat, and Yakima Counties, or for other relief from the effects of CR55(f).

VIII. REGULATION AFTER ADJUDICATION

Ecology invites parties to identify areas within the adjudicated area that may need stream patrollers. Ecology can then begin to plan how these stream patrollers may be added.

IX. CONTINUING JURISDICTION

Ecology requests that the Court consider whether it will retain continuing jurisdiction over the case after the Final Decree is entered, and, if so, for what issues it will retain continuing jurisdiction.

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X. EFFECTIVE DATE OF DETERMINATION OF EXTENT AND VALIDITY OF RIGHTS

On January 21, 2004, this Court issued a Memorandum Opinion Re: Department of Ecology's Motion for Authorization to Perform a Tentative Determination, regarding a change application for the estate of Ted and Agnes Bugni. In that Opinion, the Court stated: "A Conditional Final Order is the mechanism, in a case this large, that concludes the proceedings for a particular subbasin, major claimant or one of the federal claims." Opinion at 4. The Court went on to state: "As has been discussed before, a Final Decree in previously adjudicated, smaller streams is similar in scope to the Conditional Final Orders entered herein." *Id.* at 5-6. The Court concluded in the opinion that evidence of non-use of water occurring before the date of a CFO could be considered by Ecology only if the non-use had not occurred for 5 years or longer. Water rights determined in a CFO would be considered valid as of the date of the CFO.

Ecology requests that the Court continue to apply that ruling after the Final Decree is entered. A water right should be considered valid as of the date the CFO for that right was entered, and the Final Decree and the certificate should include the date of the corresponding CFO. This is a reasonable way to address the effective date of the adjudication as to each right in a case like this one, where some CFOs were entered as early as 1989. There has been no continuing litigation with regard to the extent and validity of rights after the CFO is entered, and the CFOs have been reopened only to correct clerical errors pursuant to CR 60. Therefore the effective date of the determination of extent and validity should not "fast-forward" to the date of the Final Decree, but should remain as of the date it was determined in reality, the date of the CFO.

The only exception should be if a right went through a change or transfer pursuant to RCW 90.03.380 and this Court determined at a date subsequent to the CFO that the extent and validity of the right had changed. If the Court determines the extent and validity of the right has changed subsequent to the CFO, the later determination should control.

1	For rights that have not gone through a change or transfer pursuant to 90.03.380 after the
2	date of the CFO, the right should be considered determined as of the date of the CFO. Ecology is
3	required to do a tentative determination of extent and validity when it processes such a change or
4	transfer. RCW 90.03.380; Okanogan Wilderness League v. Town of Twisp, 133 Wn.2d 769, 947
5	P.2d 732 (1997). Ecology is not required to do such a determination when ownership of a water
6	right changes or a water right is divided. Therefore, even if this Court has approved a motion to
7	change ownership or divide a water right subsequent to the CFO being entered for that right, the
8	effective date of the determination of the extent and validity of the right should remain the date of
9	the CFO, not the date of the approval of the subsequent motion. It would be appropriate to include
10	a disclaimer to that effect in future orders for the division of water rights or changes in ownership,
11	although a general order to that effect should clearly apply to orders of those types that have
12	already been entered.
13	Ecology will address other issues as we move forward with discussions and input from
14	other parties. Ecology looks forward to suggestions from the Court and other parties, and working
15	together in forming the final decree document.
16	Respectfully submitted this 21st day of September, 2006.
17	ROB McKENNA Attorney General
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19	Yout a Marke
20	BARBARA A. MARKHAM, WSBA #30234 Assistant Attorney General
21	Attorney for Plaintiff State of Washington, Department of Ecology
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